

SPECIAL FUEL SUPPLIER TAX REPORTING INSTRUCTIONS

Special Fuel, as defined under 30 Del C c. 51 Section 5131(4), means and includes all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles, except that it does not include gasoline (as defined in 30 Del C c. 51 Section 5101).

Complete the top portion of the tax return by recording report month, license number, name of licensee, address of licensee, and your company's Federal Employer Identification Number or Social Security Number.

Line 1 - Tax Paid & Tax Free Special Fuel Purchases: Include all tax paid and tax free special fuel purchases for the month on these lines. A separate schedule must be filed for each product type. (For example - low sulfur diesel, high sulfur diesel, kerosene, propane, etc.) Complete a separate form for each schedule required, and record the type of schedule, type of product, and total gallons in the space provided.

SCHEDULE 1 - Report Delaware tax paid receipts only.

SCHEDULE 2 - Report tax free receipts from locations within Delaware.

SCHEDULE 3 - Report gallons imported from another state direct to customers.

SCHEDULE 4 - Report gallons imported from another state into tax free storage.

You must complete the Motor Fuel Tax Multiple Schedule of Receipts, and enter summary totals for each schedule in the space provided. Please follow the receipt instruction sheet provided. On each Multiple Schedule of Receipts form, you must report monthly receipt gallon totals, broken down on a per-Supplier basis.

Line 2 - Taxable Sales/Use: Include taxable gross gallons sold to licensed retail stations and unlicensed special fuel users. Also include any taxable use in your own vehicles, and any taxable sales of special fuel into the supply tanks of licensed motor vehicles not owned or controlled by you. Sales of clear diesel fuel must be taxed, unless those sales are made to licensed Special Fuel Suppliers, Users or Dealers, in accordance with the Delaware Special Fuel Tax Law, and the Policy Directive on the "Taxation of Low Sulfur Clear Diesel Fuel", which became effective as of October 15, 1995. Enter total taxable sales/use gallons on line number 2.

You must complete the Motor Fuel Tax Multiple Schedule of Disbursements, and enter summary totals for each schedule in the space provided, by product type. Please follow the disbursement instruction sheet provided.

Line 3 - Non-Taxable Sales/Use/Exports: Include all non-taxable sales or use (except for credit card sales to authorized exempt entities, which are recorded on Line 6), using the appropriate disbursement schedule. Exports must also be reported by using the appropriate schedule number. All non-taxed sales/use and exports must be in compliance with Delaware Special Fuel Law, & the Policy Directive on the "Taxation of Low Sulfur Clear Diesel Fuel", which became effective October 15, 1995.

You must complete the Motor Fuel Tax Multiple Schedule of Disbursements, and enter summary totals for each schedule in the space provided. Please follow the disbursement instruction sheet provided.

Line 4 - Total Taxable Sales/Use Disbursements: Enter the total gallons from line 2.

Line 5 - Less: Tax Paid Special Fuel Purchases: Please enter the number of tax paid Special Fuel gross gallons your company purchased for resale or company bulk storage during the month (per receipt schedule #1).

Line 6 - Less: Credit Card Sales to Authorized Exempt Entities: Special Fuel Suppliers may deduct gallons of Low Sulfur Clear Diesel sold via Credit Cards to authorized exempt entities, through retail outlets owned/operated or supplied by them. In order to claim the deduction, you must insure that each exempt purchaser is the holder of a valid Delaware Motor Fuel Tax Exemption certificate. You must complete the Motor Fuel Tax Schedule of Disbursements, Schedule 11, and enter the summary total for this schedule on Line 6 of the tax return, in the space provided.

Line 7 - TAX - Net Taxable Sales/Use Due: Subtract lines #5 and #6 from line #4 to arrive at the Total Net Taxable Sales/Use for the month.

Line 8 - Total Tax Due: Multiply the line #6 gallon amount by \$0.22, the state excise tax rate on special fuels.

NOTE: Any licensed motor fuel (gasoline) or special fuel account that has a combined monthly tax liability exceeding \$20,000 must remit tax payment via Electronic Funds Transfer (EFT). Please call the Motor Fuel Tax Administration at (302) 744-2726 should you need further instructions regarding EFT.

Please call the Motor Fuel Tax Administration at (302)744-2710 should you have questions regarding the rest of the instructions.